

DIRECTORATE OF GOVERNMENT EXAMINATION, CHENNAI-6.
HIGHER SECONDARY (FIRST YEAR) EXAMINATION-MAY 2022

KEY ANSWER FOR ACCOUNTANCY

		PART – I			(20×1=20)																
		TYPE - A		TYPE - B		Marks															
1.	(a) Large, medium business			(d) Principle																	
2.	(a) on a particular date			(a) Assets																	
3.	(d) Debit side of Profit and Loss account			(a) end																	
4.	(c) Cash account			(a) Generally Accepted Accounting Principles																	
5.	(a) Bank A/c			(b) Access Codes																	
6.	(d) Current asset			(c) Balancing																	
7.	(b) next year			(c) Cash account																	
8.	(a) end			(b) next year																	
9.	(a) Assets			(d) Current asset																	
10.	(d) Principle			(a) Bank A/c																	
11.	(c) Solving tax disputes with tax authorities			(d) Returns of goods by the customer for which cash is not paid immediately.																	
12.	(a) Constant for all years			(a) Drawings A/c																	
13.	(a) Generally Accepted Accounting Principles			(d) Debit side of Profit and Loss account																	
14.	(b) Access Codes			(a) Constant for all years																	
15.	(d) Returns of goods by the customer for which cash is not paid immediately.			(a) all credit purchases of goods																	
16.	(a) Drawings A/c			(c) Solving tax disputes with tax authorities																	
17.	(a) Capital expenditure			(a) Large, medium business																	
18.	(c) Balancing			(a) on a particular date																	
19.	(c) Contra entry			(a) Capital expenditure																	
20.	(a) all credit purchases of goods			(c) Contra entry																	
		PART – II			(7×2=14)																
21.	Definition: According to American Institute of Certified Public Accountants “Accounting is the art of recording, classifying and summarizing in a significant manner and in terms of money, transactions and events which are in part, at least of a financial character and interpreting the results thereof.” (or) American Accounting Association has defined accounting “the process of identifying, measuring and communicating economic information to permit informed judgments and decisions by users of the information.” (Any One)					2															
22.	Credit Balance: If the credit side of an account has higher total, the balancing figure is credit balance. Note: (Any other related answer, give full marks.)					2															
23.	Trial balance: A trial balance is a statement, containing debit and credit balance of all ledger accounts on a particular date.					2															
24.	i) Readymade Software ii) Customized Software iii) Tailor made software (Any two)					2															
25.	Accrued income is income or portion of income which has been earned during the current accounting year but not received till the end of that accounting year.					2															
26.	<table border="1"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>L/F</th> <th>Debit</th> <th>Credit</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Bank A/c To Bank loan A/c</td> <td>Dr.</td> <td>10,000</td> <td>10,000</td> </tr> <tr> <td>2</td> <td>Cash A/c</td> <td>Dr.</td> <td>5,000</td> <td></td> </tr> </tbody> </table>	Date	Particulars	L/F	Debit	Credit	1	Bank A/c To Bank loan A/c	Dr.	10,000	10,000	2	Cash A/c	Dr.	5,000						1
Date	Particulars	L/F	Debit	Credit																	
1	Bank A/c To Bank loan A/c	Dr.	10,000	10,000																	
2	Cash A/c	Dr.	5,000																		

		To Commission /Commission received A/c			5,000		1																																				
27.	Amount of Depreciation = $\frac{\text{Original Cost of the Assets} - \text{Estimated Scrap Value}}{\text{Estimated useful Life of the asset in year}}$ $= 50000 + 5000 = 55,000, 55000 / 5 = 11,000$						1 1																																				
28.	In the books of Mr.Sanjay Dr. Trading A/c for the year ended 31st Dec, 2017 Cr. <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:30%;">Particulars</th> <th style="width:10%;"></th> <th style="width:10%;"></th> <th style="width:30%;">Particulars</th> <th style="width:10%;"></th> <th style="width:10%;"></th> </tr> </thead> <tbody> <tr> <td>To Opening stock</td> <td></td> <td>570</td> <td>By Sales</td> <td>26,200</td> <td></td> </tr> <tr> <td>To Purchases</td> <td>15,800</td> <td></td> <td>Less: Sales Return</td> <td>60</td> <td>26,140</td> </tr> <tr> <td>Less: Purchase Return</td> <td>90</td> <td>15,710</td> <td>By Closing stock</td> <td></td> <td>860</td> </tr> <tr> <td>To Gross Profit c/d</td> <td></td> <td>10,720</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td>27,000</td> <td></td> <td></td> <td>27,000</td> </tr> </tbody> </table>						Particulars			Particulars			To Opening stock		570	By Sales	26,200		To Purchases	15,800		Less: Sales Return	60	26,140	Less: Purchase Return	90	15,710	By Closing stock		860	To Gross Profit c/d		10,720						27,000			27,000	2
Particulars			Particulars																																								
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		27,000			27,000																																						
29.	Purchase A/c Dr. 20,000 To Cash A/c 20,000						1 1																																				
30.	Cost of goods sold = Opening stock + Net Purchases + Direct Expenses – Closing Stock = 10,000 + 80,000 + 7,000 – 15,000 = 97000 - 15000 = 82,000						1 1																																				
PART – III (7×3=21)																																											
31.	Golden Rules of Double entry accounting system:																																										
	Personal A/c	Debit the receiver		Credit the giver		1																																					
	Real A/c	Debit what comes in		Credit what goes out		1																																					
	Nominal A/c	Debit all expenses and losses		Credit all incomes and gains		1																																					
32.	Opening Entry																																										
	Date	Particulars	LF	Debit	Credit																																						
	2018 Jan 1	Cash A/c Dr. Stock A/c Dr. Raj A/c Dr. Machinery A/c Dr. To Hari A/c To Capital A/c		40,000 50,000 50,000 40,000	30,000 1,50,000	3																																					
33.	(i) Carriage outwards - Debit balance (ii) Wages - Debit balance (iii) Rent received - Credit balance (iv) Capital A/c - Credit balance (v) Sales - Credit balance (vi) Sales return - Debit balance (Award full marks for Trial balance method)						6×½ =3																																				
34.	In the books of M/s. Mohan & Co., Sales book																																										
	Date	Particulars	Invoice No	L. F	Amount																																						
					Details	Total																																					
	2017 Aug 1	Senthil	68			23,000																																					
	4	Mani	74			10,500																																					
	25	Kamala:																																									
		10 Tables @ 1,500			15,000																																						
		20 Chairs @ 200			4,000	19,000																																					
		Sales book Cr				52,500																																					

35.	Dr. Triple Column Cash Book Format Cr.												3		
	Date	Receipts	R. N	L. F	Amount			Date	Payment s	V. N	L. F	Amount			
					Discount	Cash	Bank					Discount		Cash	Bank
36.	First year 50000×15/100											7,500	1		
	Second year 50000-7500=42500 : 42500×15/100											6,375	2		
37.	Input devices: Keyboard, Optical Scanner, Mouse, Joystick ,Touch screen and stylus											2			
	Output devices: Monitor and Printer											1			
38.	ADJUSTMENT ENTRIES: Adjustment entries are the journal entries made at the end of the accounting period to account for items which are omitted in trial balance and to make adjustments for outstanding and prepaid expenses and revenues accrued and received in advance.											3			
39.	DIFFERENCE BETWEEN CAPITAL RECEIPT AND REVENUE RECEIPT:											1 1 1			
	Capital receipt					Revenue receipt									
	Non-recurring in nature.					Recurring in nature.									
	Amount is generally substantial.					Amount is generally smaller.									
These amounts are not available for distribution as profits.					The excess of revenue receipts over the revenue expenses can be used for distribution as profits.						1				
40.	Dr. Profit and Loss A/c Cr.											3			
	Particulars					Particulars									
To Office rent				10,000	By Gross Profit b/d				50,000						
To Discount allowed				12,000	By Interest received				2,000						
To Advertisement				4,000											
To Audit fees				1,000											
To Carriage Outwards				2,500											
To General Expenses				3,000											
To Net Profit				19,500											
(transfer to Capital a/c)															
				52,000					52,000						
PART – IV (7×5=35)															
41. (a)	Journal Entries:											10×½ =5			
	Date	Particulars						LF	Debit	Credit					
	2019 Mar 1	Cash A/c						Dr.	3,00,000						
		To Ram's Capital A/c								3,00,000					
	2	Bank A/c						Dr.	2,00,000						
		To Cash A/c								2,00,000					
	3	Furniture A/c						Dr.	28,000						
		To M./s. Jaya Furniture A/c								28,000					
	4	Purchase A/c						Dr.	5,000						
		To Bank A/c								5,000					
	5	Purchase A/c						Dr.	50,000						
		To Shyam A/c								50,000					
6	M./s. Jaya Furniture A/c						Dr.	28,000							
	To Cash A/c								28,000						
10	Drawings A/c						Dr.	2,000							

		To Cash A/c			2,000		
11	Dr.	Drawings A/c		800			
		To Bank A/c			800		
12	Dr.	Mano A/c		20,000			
		To Sales A/c			20,000		
18	Dr.	Sales Return A/c		5,000			
		To Mano A/c			5,000		
(OR)							
(b)	Dr. Trading and Profit and Loss A/c of Mr. Ganesh Cr.						
		Particulars			Particulars		
		To Opening stock	8,000		By Sales	42,000	2
		To Purchases	22,000		By Closing Stock	4,500	
		To Expenses on purchases	2,500				
		To Gross Profit c/d	14,000				
			46,500			46,500	
		To Electricity charges	3,500		By Gross Profit b/d	14,000	3
		To Expenses on sales	1,000				
		To Bad debts	1,200				
		To Trade expenses	1,200				
		To Discount allowed	600				
		To Commission allowed	1,100				
		To Selling Expenses	600				
		To Repairs	600				
		To Net profit (Transferred to Capital A/c)	4,200				
			14,000			14,000	
42.	Journal Entries:						
(a)	Date	Particulars	LF	Debit	Credit		
	2017 Aug 10	Cash A/c	Dr.	30,000			
		To Sales A/c			30,000		
	14	Gopi A/c	Dr.	12,000			
		To Sales A/c			12,000		3
	20	Cash A/c	Dr.	12,000			
		To Gopi A/c			12,000		
	Dr. Cash Account Cr.						
	Date	Particulars	JF	Date	Particulars	JF	
	2017 Aug 10	To Sales A/c	30,000	2017 Aug 31	By Balance c/d	42,000	
	20	To Gopi A/c	12,000				
			42,000			42,000	1
	2017 Sep 1	To Balance b/d	42,000				
	Dr. Sales Account Cr.						
	Date	Particulars	JF	Date	Particulars	JF	
	2017 Aug 31	To Balance c/d	42,000	2017 Aug 10	By Cash A/c	30,000	
				14	By Gopi A/c	12,000	1

				42,000			42,000		
					Sep 1	By Balance b/d	42,000		
(OR)									
(b)	Differences between capital expenditure and revenue expenditure:								
	Capital expenditure			Revenue expenditure					
	It is non – recurring in nature.			It is recurring in nature.					
	To contribute to the revenue earning capacity of the business.			To carry on the day to day activities of the business.				5×1=5	
	Its benefit is available for a longer period.			Its benefit is obtained within one accounting period.					
	It increases the profit earning capacity of the business.			It maintains the profit earning capacity of the business.					
	It will appear on the assets side of the balance sheet.			It will be shown on the debit side of the trading and profit and loss account depending on whether direct or indirect in nature.					
In the books of Babu									
Trial Balance as on 31st Mar, 2016									
43.	S.No.	Name of the Account	LF	Debit balance		Credit balance			
(a)	1	Cash in hand		7,000		--			
	2	Sundry debtors		5,400		--			
	3	Salaries		6,800		--			
	4	Bad debts		200		--			
	5	Opening stock		15,400		--			
	6	Bills receivable		7,000		--			
	7	Creditors		--		11,800			
	8	Capital		--		25,000			
	9	Purchases		45,000		--			
	10	Sales		--		50,000			
		Total		86,800		86,800		10×½=5	
(OR)									
(b)	In the books of Nicholas								
Dr. Trading and Profit and Loss A/c for the year ended 31st March 2016							Cr.		
	Particulars			Particulars					
	To Opening stock		1,000	By Sales		15,100		2	
	To Purchases		10,000	By Closing Stock		2,100			
	To Wages	600							
	Add: Outstanding wages	<u>200</u>	800						
	To Freight inwards		750						
	To Gross Profit c/d		4,650						
			17,200			17,200			
	To Advertisement	500		By Gross Profit b/d		4,650		3	
	Less: Paid in Advance		350	By Commission	1,900				

To Carriage Outwards	150	400	received		
To Net profit (Transferred to Capital A/c)		6,000	Less: Received in advance	400	1,500
			By Rent received		600
		6,750			6,750

44 a)	Purchase book						3
	Date	Particulars	Invoice No	LF	Amount		
					Details	Total	
2017 June 1	Balan Traders: 20 Chairs @ 150 each					3,000	
13	Subha & Co.,: 2 Almirahs @ 3,100 each 10 Tables @ 1,500 each			6,200 15,000			
	Less: Trade Discount @ 10%			21,200 2,120			
	Add: Freight Charges			19,080 220		19,300	
24	Shankar Furniture Mart: 25 Almirahs @ 1,300 each					32,500	
27	Murugan Traders: 10 Executive Tables @ 3,275					32,750	
	Purchase book Dr					87,550	

2	Purchase Return book						2	
	Date	Particulars	Debit Note	LF	Amount			Remarks
					Details	Total		
2017 June 21	Balan Traders: 2 Chairs @ 150 each					300	Damaged	
29	Shankar Furniture Mart: 3 Almirahs @ 1,300 each					3,900		
	Purchase return book Cr					4,200		

(OR)

(b) Dr. Triple Column Cash Book of Mr. Ganapathy Cr.													
Date	Receipts	RN	L F	Amount			Date	Payments	V N	L F	Amount		
				Discount	Cash	Bank					Discount	Cash	Bank
2017 Feb 1	To Balance b/d				12,500	5,000	2017 Feb 5	By Water Purifier A/c					4,000
8	To Daniel A/c			50	4,450		6	By Purchases A/c				4,500	
10	To Sales A/c					20,000	12	By Amala A/c			250		7,250

14	To Bank A/c				10,000		13	By Transport charges A/c				2,500	
19	To Kumar A/c					7,500	14	By Cash A/c			C		10,000
							24	By Kumar A/c					7,500
							28	By Balance c/d				19,950	3,750
				50	26,950	32,500						250	26,950 32,500
2017 Mar 1	To Balance b/d				19,950	3,750							

45. (a)

Dr. Single Column Cash Book of Mr. Sundaresan								Cr.	
Date	Receipts	L.F	Amount	Date	Payments	L.F	Amount		
2017 May 1	To Balance b/d		40,000	2017 May 7	By Wages A/c		2,000		
5	To Swathi A/c		4,000	10	By Purchase A/c		6,000		
15	To Sales A/c		9,000	18	By Computer A/c		15,000		
30	To Interest A/c		500	22	By Sabapathi A/c		5,000		
				28	By Salary A/c		2,500		
				31	By Balance c/d		23,000		
			53,500				53,500		
2017 Jun 1	To Balance b/d		23,000						

(OR)

(b)

Sl. No.	Items	Classification
(i)	Bank	Personal account
(ii)	Carriage outward	Nominal account
(iii)	Purchases	Nominal account
(iv)	Harish	Personal account
(v)	Prepaid expenses	Representative Personal Account / Personal Account
(vi)	Furniture	Real account
(vii)	Goodwill	Real account
(viii)	Sales	Nominal account
(ix)	Interest received	Nominal account
(x)	Capital	Personal account

10 × ½ = 5

